

**Income and expenditure****Operating budget**

<b>Total Revenue:</b>	<b>R 186, 953 million</b>
<b>Total Expenditure:</b>	<b>R 186, 942 million</b>
<b>Projected surplus:</b>	<b>R 11 thousand</b>

The implication of this is to alert us to the need for strict budget implementation and control during the financial year.

**Capital budget:**

<b>Grant Funding:</b>	<b>R 32.358 million</b>
<b>Own Funds:</b>	<b>R 8.0 million</b>
<b>Total Capital Expenditure:</b>	<b>R 40.358 million</b>

I hereby table the Medium term Revenue and Expenditure Framework for 2018 through 2020 for adoption by the Emalahleni Municipal Council as per the resolutions under the item and budget document.

**CLLR N. NYUKWANA****MAYOR**

## 1.2 Council Resolutions

The Council approves and takes the following resolutions for the final annual budget (MTREF) of 2017/18 financial year:

The Council of Emalahleni Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves:

- 1.1. The annual budget of the municipality for the financial year 2017/18 and the multi-year and single-year capital appropriations as set out in the following tables:
  - 1.1.1. Budget Summary reflected in Table A1
  - 1.1.2. Budgeted Financial Performance (revenue and expenditure by standard classification) reflected in Table A2;
  - 1.1.3. Budgeted Financial Performance (revenue and expenditure by municipal vote) reflected in Table A3;
  - 1.1.4. Budgeted Financial Performance (Revenue and Expenditure) reflected in Table A4;
  - 1.1.5. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source reflected in Table A5 as well as individual capital projects reflected under SA36;
- 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables attached in the budget documentation:
  - 1.2.1. Budgeted Financial Position reflected in Table A6;
  - 1.2.2. Budgeted Cash Flows reflected in Table A7;
  - 1.2.3. Cash backed reserves and accumulated surplus reconciliation reflected in table A8;
  - 1.2.4. Asset management in Table A9; and
  - 1.2.5. Basic service delivery measurement reflected in Table A10.
2. The Council of Emalahleni Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the following tariffs as set out and included in the budget documentation, with effect from 1 July 2015:
  - 2.1. The tariffs for property rates which are increasing on average by 6.4 % (percent)
    - Residential 0.0092c/R
    - Undeveloped land 0.0092c/R
    - Municipal Buildings/Properties 0c/R
    - Business 0.0138 c/R
    - Government 0.0138 c/R
    - Agriculture 0.0020 c/R
    - Public Service Infrastructure 0c/R
    - Public Benefit Organisations 0.0023 c/R

- 2.2. The tariffs for electricity has been increased by an average of 1.88% in line with NERSA guidelines. These tariffs are subject to approval by NERSA.
- 2.3. The tariffs for solid waste services which are increasing on average by 6.4 % (percent).
3. The Council of Emalahleni Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2017 the tariffs for other services, which are increasing on average by 6.4 percent, as set out in the attached budget documentation as (**Annexure .....**).
4. Council resolves that the budget related policies reflected and listed below are approved for the budget year 2017/18
- Property Rates policy
  - Budget Policy
  - Tariff policy
  - Indigence Policy
  - Credit control and Debt collection
  - Cash Management and Investments policy
  - Asset and Disposal Management policies
  - Funding and Reserve policy
  - Debt and Borrowing policy
  - Fleet Management policy
  - Virements policy
  - Petty Cash Policy
  - Supply Chain Management policy
5. Council resolves that the filling of the vacant posts as identified by Municipal Manger and tabled to Executive Committee, be approved.
6. To give proper effect to the municipality's annual budget, the Council of Emalahleni Municipality approves:

That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of **the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting.**